

## **TAXPAYERS UNITED MICHIGAN FOUNDATION**

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Taxpayers United Michigan Foundation is an outgrowth of Taxpayers United founded in 1976 to muster statewide support for the successful 1978 Headlee Tax Limitation Amendment, and is Michigan's largest non-partisan, non-profit grassroots taxpayer organization defending citizen rights under our Michigan Constitution.

News Release Contact: Bill McMaster, State Chairman

### **GRASSROOT TAXPAYERS OPPOSE STATE AND OAKLAND COUNTY POLITICIANS' PROPOSAL TO BORROW WAY OUT OF DEBT WITH MORE WASTEFUL GOVERNMENT SPENDING**

**TROY, MI., MAY 23, 2005** – Following are excerpts from testimony of Bill McMaster, State Chairman of Taxpayers United Michigan Foundation, to the Michigan Legislature's Joint House Tax Policy and Senate Finance Committee Public Hearing in Troy today:

**"1- When I was Campaign Director of the successful 1978 Headlee Tax Limitation Amendment (Dick Headlee was Chairman), the majority of grassroots voters amended the annual report of Total State Revenues into our Michigan Constitution. Since Total State Revenues reflect the total amount of yearly revenue collected by the State of Michigan from all sources (taxes, fees, penalties, etc.), it is the only reliable benchmark for citizens throughout Michigan to compare state income and spending with previous years.**

<b>Fiscal Year</b>	<b>TOTAL STATE REVENUES</b>	<b>(Mich. FY begins Oct. 1 - ends Sept. 30)</b>
<b>2002-03</b>	<b>\$37,703,678,099</b>	
<b>2003-04</b>	<b>\$38,477,892,824</b>	
<b>2004-05</b>	<b>\$39,338,689,400</b>	<b>(Latest estimate published by Gov. Granholm)</b>
<b>2005-06</b>	<b>\$40,662,522,300</b>	<b>(Latest estimate published by Gov. Granholm)</b>

**Michigan families are currently paying the highest taxes in Michigan history to support the most state, county, city, township, village government and school spending in Michigan history.**

**2- Gov. Granholm and Oakland County Executive L. Brooks Patterson's sweetheart deal to put a \$2 billion bond proposal before statewide voters as the best way to create jobs is deceptive and misleading.**

**Tax breaks and investment of taxpayer funds in Michigan corporations through such 'public-private corporations/authorities' as the Michigan Economic Development Corporation (MEDC) and Automation Alley have enabled Gov. Granholm and Patterson to pick 'winners and losers' by arranging corporate welfare through political influence.**

**Neither MEDC nor Automation Alley have created one single net gain job since their inception. Never will.**

**-1- (continued on back side)**

**-2- (concluded from front page)**

**3- Taxpayers United Michigan Foundation proposes the legislature and Oakland County stop the \$1.8 billion a year drain on Total State Revenues for corporate welfare and eliminate Michigan's Single Business Tax (SBT).**

**Tax cuts for the chosen few have to be made up by higher tax collections from competitor corporations paying the SBT payroll tax, and by higher taxes and fees from already overtaxed Michigan families.**

**Stopping the counterproductive waste of \$1.8 billion annually in corporate welfare to politically powerful corporations would enable politicians to permanently and immediately cut taxes for every business in Michigan by no longer collecting the ever-increasing Single Business Tax which amounted to \$1,827,638,969 in fiscal year 2004 and is raking in \$1,855,700,000 in the current year of our Michigan Economic Recession and 7% high unemployment.**

**It is only fair that companies cutting jobs and closing plants give up their corporate welfare for not keeping the public trust and do so for the common good."**

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